



AGENDA STAFF REPORT

Control: 26001064

MEETING DATE: 05/19/2026

LEGAL ENTITY TAKING ACTION: Board of Supervisors

BOARD OF SUPERVISORS DISTRICT(S): District 1 and District 2

SUBMITTING AGENCY/DEPARTMENT: Health Care Agency

DEPARTMENT CONTACT PERSON(S): Veronica Kelley, 714-834-7024
Ian Kemmer, 714-834-2160

SUBJECT: Renewal of Contract for Re-Entry Success Center Services

CEO CONCUR	COUNTY COUNSEL REVIEW	CLERK OF THE BOARD
Concur	Approve agreement to form	DISCUSSION
		3 Votes Board Majority

Budgeted: N/A	Current Year Cost: N/A	Annual Cost: FY 2026-27 \$6,143,988
Staffing Impact: No		Sole Source: No
Current Fiscal Year Revenue: N/A	Funding Source: State: (Behavioral Health Services Act, Behavioral Health Bridge Housing): 59%, Fed: (Substance Use Prevention, Treatment, and Recovery Services Block): 41%	County Audit in Last 3 years: No

Levine Act Review Completed? Yes

Prior Board Action: 2/11/2025 #20, 2/27/2024 #32, 7/18/2023 #12, 2/7/2023 #21

RECOMMENDED ACTION(S):

1. Approve Amendment No. 16 to renew the Contract with Project Kinship, for provision of Re-Entry Success Center Services, for the term of July 1, 2026, through June 30, 2027, for an amount not to exceed \$6,143,988, for a revised cumulative total amount not to exceed \$32,486,576.
2. Authorize the County Procurement Officer or Deputized designee to execute Amendment No. 16 to the Contract with Project Kinship, as referenced in the Recommended Action above.

SUMMARY:

Approval of Amendment No. 16 to renew the Contract with Project Kinship, for provision of Re-Entry Success Center Services, will allow County to continue to provide behavioral health re-entry and support services to reduce recidivism in the criminal justice system and behavioral health bridge housing beds for individuals experiencing homelessness.

BACKGROUND INFORMATION:

On February 7, 2023, your Honorable Board of Supervisors (Board) approved the selection of the Contract with Charitable Ventures of Orange County Inc. (CVOC), acting as the fiscal sponsor for Project Kinship (PK), for provision of Re-Entry Success Center (RSC) Services for the term of March 7, 2023, through June 30, 2025.

On July 18, 2023, the Board approved Amendment No. 2 with CVOC to allow for an increase in staffing to provide extended hours of operation and services to individuals being released from the Intake Release Center (IRC) and Theo Lacy Facility for the existing term of March 7, 2023, through June 30, 2025. This enabled the RSC to expand and be available 24 hours a day, seven days a week, with the exception of approved holidays. PK emancipated from CVOC and, through the authority and consent of the County Procurement Officer, Amendment No. 3 to the Contract was executed to effectuate the assignment to PK.

On February 27, 2024, the Board approved Amendment No. 7 with PK to add provision of 15 Behavioral Health Bridge Housing (BHBH) beds in the cities of Garden Grove, Santa Ana and Anaheim to serve individuals experiencing homelessness who have serious behavioral health conditions effective February 27, 2024, through June 30, 2026.

On February 11, 2025, the Board approved Amendment No. 12 with PK to renew the Contract with PK for one additional year to continue the RSC Services and BHBH for the term of July 1, 2025, through June 30, 2026.

Amendments 1, 3, 4, 5, 6, 8, 9, 10, 11, 13, 14 and 15 were approved with Deputy Purchasing Agent Administrative authority for minor administrative changes that did not change the scope of work or impact the amount not to exceed.

Amendment No. 16 will allow for continued behavioral health re-entry and support services at a minimally reduced yet fiscally responsible level to support ongoing reduction of recidivism in the criminal justice system and of Behavioral Health Bridge Housing beds for individuals experiencing homelessness. The funding reduction is required because state and federal budget cuts are affecting programs across the entire Health Care Agency (HCA) and Behavioral Health Services (BHS). Even with this reduction, PK will still be able to reach approximately 84 percent of individuals released from Theo Lacy and the IRC. PK will provide services outside of Theo Lacy and the IRC 9 hours a day at hours determined by the HCA.

Scope of Service

The Contract has two programs within the Scope of Service – RSC Services and BHBH. Below is a summary of each program including the target population and services provided.

RSC Services

The overarching goal of RSC is to broaden access to and participation in re-entry services for individuals 18 years of age and older, including Transitional Age Youth ages 18 to 25 years old, who have a mild to moderate mental health and/or substance use issue(s) and are involved in the criminal justice system. RSC Services will provide assertive and timely engagement to the target population with re-entry support and BHS.

PK will provide a safe environment for individuals leaving the IRC and Theo Lacy facilities to begin community reintegration and continue their recovery. When coordinated with Correctional Health Services, in-reach can be provided to begin engagement and discharge planning. Field-based services include

program screening and assessment, outreach, and resources such as access to charging phones, clean clothing, transportation, and temporary shelter. RSC post-release services will include re-entry planning, case management, housing coordination, transportation, mild to moderate mental health and/or substance use counseling, linkage to ongoing mental health and substance use services for more severe needs, peer support and mentoring, linkage to community resources, and vocational and job-skills training. Services are provided by clinicians, substance use counselors, case managers, housing coordinators, employment and education specialists, and peers with lived experience to build rapport to enhance engagement and support.

BHBH

BHBH provides bridge housing and supportive services for individuals experiencing homelessness who have serious behavioral health conditions, including a serious mental illness and/or substance use disorder. Participants are not required to be linked to BHS to be eligible for BHBH but must participate in housing navigation. PK provides 15 BHBH beds and, as approved in the initial BHBH contract, Kingdom Causes, Inc. dba City Net (City Net) provides the housing navigation services for these participants. Housing navigation assists participants in finding, moving in and retaining housing, including developing individualized housing service plans as well as connecting participants to the Coordinated Entry System (CES) within 60 calendar days of program enrollment to provide opportunities for participants to be matched to available housing resources.

The agreed upon Scope of Service outlined in the Contract are in alignment with the Commission to Address Homelessness' Outreach and Supportive Services and Shelter Pillars best practices, guiding principles and commitments as detailed in the Homeless Service System Pillar Report. HCA and PK have implemented these principles and commitments as applicable.

There is an established Good Neighbor Policy as required by the Contract. To date, the HCA has not received any negative feedback from the community and will continue to work with the contractor(s) and the community to ensure positive community relations. Services are conducted in the cities of Santa Ana and Garden Grove.

Performance Outcomes

As a result of the reduction in contract funding, the number of contacts made for Fiscal Year (FY) 2026-27 will be reduced by 16 percent. PK shall be present during the hours when 84 percent of releases have historically occurred at Theo Lacy and the Intake Release Center. As a result, for FY 2026-27, the objective is reduced to 27,720 outreach contacts to be provided by PK's RSC. Individuals enrolled in services will be offered recovery support, individual counseling, housing assistance, employment assistance and transportation assistance.

The Performance Objectives identified in Table 1 are consistent with the previous contract measures for RSC Services. Table 1 also identifies outcomes for FY 2024-25 and FY 2025-26 from July through October 2025.

Table 1. RSC Services and BHBH Performance Objectives and Outcomes

Performance Objectives	Objective Goals	FY 2024-25 Outcomes Achieved	FY 2025-26 (Jul – Jan) Outcomes Achieved
RSC			

1.	<p>Individuals contacted through outreach completed a screening and assessment for program enrollment.</p> <p>FY 2024-25, a total of 32,395 contacts were made and 10,830 screening and assessments were completed.</p> <p>FY 2025-26, a total of 20,119 contacts were made and 9,095 screening and assessments were completed.</p>	30%	33%	45%
2.	<p>Clients who require a higher level of care receive a warm hand-off to HCA BHS.</p> <p>FY 2024-25, a total of 59 referrals were made and 45 linkages to HCA BHS were accepted.</p> <p>FY 2025-26, a total of 14 referrals were made and 9 linkages to HCA BHS were accepted.</p>	80%	*76%	*64%
3.	<p>Clients who need housing receive housing assistance.</p> <p>FY 2024-25, a total of 137 clients were experiencing homelessness at enrollment and 105 received housing assistance.</p> <p>FY 2025-26, a total of 94 clients were experiencing homelessness at enrollment and 83 received housing assistance.</p>	50%	77%	88%
4.	<p>Client referrals will result in confirmed linkage.</p> <p>FY 2024-25, a total of 1,005 contacts were made and 653 linkages completed.</p> <p>FY 2025-26, a total of 729 contacts were made and 397 linkages completed.</p>	50%	65%	54%
5.	<p>Clients receiving mental health counseling services report improvement in well-being and quality of life.</p> <p>FY 2024-25, a total of 81 clients completed the Outcome Questionnaire, and 58 clients reported improvements.</p> <p>FY 2025-26, a total of 52 clients completed the Outcome Questionnaire, and 40 clients reported improvements.</p>	60%	72%	77%
6.	<p>Enrolled clients will receive employment/education assistance by the provider.</p> <p>FY 2024-25, a total of 515 clients were enrolled and 308 received employment/education assistance.</p> <p>FY 2025-26, there was a total of 390 clients enrolled and 247 received employment/education assistance.</p>	50%	60%	63%
BHBH				

7.	<p>Clients will be connected to CES within 60 calendar days of program enrollment. FY 2024-25, there was a total of 28 enrolled clients, and 23 were connected to CES (five exited prior to CES enrollment). FY 2025-26, there were a total of 12 enrolled clients, and all 12 were connected to CES.</p>	90%	**82%	100%
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*For performance objective two, the percentage achieved is lower than the goal as fewer clients accepted the linkage to BHS. Staff continue to reinforce available services at every appropriate interaction to help improve linkage rates.

**Performance Objective 7 did not meet the 90 percent objective in FY 2024-25, as five of the 28 individuals elected to exit the BHBH program to engage in substance use treatment services prior to being connected to the CES.

The Proposed Performance Objectives for FY 2026-27 are outlined in Table 2 below and have either been increased or have remained the same.

Table 2

RSC		FY 2026-27 Objectives
1.	Individuals contacted through outreach completed a screening and assessment for program enrollment.	30%
2.	Clients who require a higher level of care receive a warm hand-off to HCA BHS.	80%
3.	Clients who need housing receive housing assistance.	*55%
4.	Client referrals will result in confirmed linkage.	*55%
5.	Clients receiving mental health counseling services report improvement in well-being and quality of life.	*70%
6.	Enrolled clients will receive employment/education assistance from the provider.	*60%
BHBH		
7.	Clients will be referred to City Net for housing navigation within one week of placement in a BHBH bed.	90%

*Performance Objective 3 to 6 were increased for FY 2026-27.

In addition to these Performance Objectives, PK shall comply with all reporting requirements associated with BHSA funding, including state-identified goals and outcomes, and ensure alignment with the Board approved Behavioral Health Integrated Plan for the period of July 1, 2026, through June 30, 2027.

Approval of the Amendment No. 16 to renew the Contract will enable continuation of support of the County's effort to build a responsive System of Care that meets the needs of individuals experiencing homelessness by providing access to bridge housing and supportive services that support achieving permanent housing and will allow for the continuation of behavioral health re-entry and support services to reduce recidivism in the criminal justice system.

The proposed Amendment No. 16 includes subcontractors or pass through to other providers. See Attachment B for Contract Summary Form.

The Contractor's performance has been confirmed as satisfactory. HCA has verified there are no concerns that must be addressed with respect to Contractor's ownership/name, litigation status or conflicts with County interests. The non-profit has been verified to be in good standing. The Orange County Preference Policy is not applicable to this contract renewal.

HCA requests the Board approve Amendment No. 16 with PK for the provision of RSC, as referenced in the Recommended Action.

FINANCIAL IMPACT:

Appropriations for this amendment will be included in Budget Control 042 FY 2026-27 Budget.

This Contract contains language allowing the HCA to terminate the contract, reduce the level of services and/or renegotiate the levels of services to be provided should funding become unavailable. Funding is based on known sources currently and may change if other funding becomes available.

STAFFING IMPACT:

An analysis was completed to verify the contract provides the County with persons specially trained, experienced, expert and competent to perform the special services in accordance with the law.

REVIEWING AGENCIES/DEPARTMENTS:

Office of Care Coordination

ATTACHMENTS:

Attachment A - Amendment 16 to Contract MA-042-23010693 for Re-Entry Success Center Services with Project Kinship

Attachment B - Contract Summary Form